

How to Swing Trade Like a Millionaire

A Beginner's Guide to Strategies,
Tools, Trade Management, Risk
Management and Learning The
Market.

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Stock Trader at MVP-INVESTORS

<https://mvp-investor.com>

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Welcome Swing Trader

Does this describe you?

I work a full-time job and I don't have time to actively check the stock market but I want to invest money? I want to make an extra \$200 per week with the stock market? I understand how swing trading works but I can't seem to make money consistently?

The most important feature we teach our swing traders is the ability to read and understand the stock market.

People Who Benefit from Swing Trading

- People who have full-time jobs
- People who don't have time to actively trade and watch the stock market
- Anyone who wants to make money in the stock market
- People who want their money to work for them instead of them working for money

Swing Trading Course

Introduction	5
Understanding Swing Trading	6
Why Traders Fail?	7
Using Paper Trading	10
Technical Analysis	13
Candlestick Charts	16
Finding The Right Stocks	28
Strategies	33
Market Environments	37
Trade Management	44
Averaging Down	47
Risk Management	49
Risk Rules	51
Tools and Platforms	52
What Broker and Scanner?	53
Account Types	58
Carters Rules to Be Successful	61
Final Words	63
Swing Trading Terminology	66

Trading Journal**72**

Introduction

Swing trading attempts to capture gains in a stock by holding it overnight or holding for several weeks.

Swing traders use technical analysis to look for stocks with short-term price momentum. These traders may utilize fundamental or intrinsic value of stocks in addition to analyzing the price trends and patterns.

The Swing Traders Who Fail:

- Don't understand risk
- Uneducated
- Repeat failures
- Don't understand that some days are red but overall the outcome is green
- Don't "Gamble your money"
- Practice with fake money Before you trade real money

"Don't Wait Make it Happen"

-Carter Farr

Understanding Swing Trading

As Swing Traders we are going to focus on simple setups and nothing confusing. We are going to put it in terms that anyone, any age will understand. We will learn basic strategies like the **Support Bounce** and many others.

Are Team at MVP-Investors have traded for years, and we have came up with the best strategies that will save money and help make a lot more profits. As swing traders we have one goal is to get in and out.

Swing Trading accounts on average can profit about 10% per week. With a \$1,000 account you would profit around \$100.

This type of trading is to identify the trend of the market and then capture the gains of the market. Trends are easy to identify and we will talk more about them in Chapter 2.

When you swing trade you can Buy a stock or *Long* a Stock, in prediction of going up. Also you can Sell a stock or *Short* in prediction of going down.

Why Traders Fail?

With any type of investing and trading, it takes practice, a lot of hard work and a custom strategy that fits your needs (Chapter 3). Here the three main reasons I have found that swing traders fail.

Don't Understand Risk

Balancing risk is the most important part of any long or short-term investments. When you invest you have to ask, "how much upside and downside risk should be accepted".

The ideal situation would be **asymmetric risk reward** meaning you risk .06 to make a \$1. An investor would invest 16 times before you lose money.

What you don't want to invest in is an investment where the profit is less than the maximum loss.

Uneducated

Other than practice the most important thing swing traders can do is learn. Many swing traders fail or give up because they don't understand why they are losing money. Those types of traders may catch some stocks over the long term, but soon the **stock market** always beats uneducated traders.

Repeat Failures

The second worst thing, other than gambling, a trader can do is repeat failures. This would include swing trading downward trend markets, unsure strategy and more. Any time a swing trader loses money they have failed. What a smart trader would do is look back at

their trades and understand what they did right and most importantly, what they did wrong.

Using Paper Trading

Paper trading is the easiest way to learn how to swing trade without the risk of losing real money. Paper trading is using a simulated account (fake money) to make trades. I recommend paper trading for 3-6 months before trading with real money. During that time you will learn what type of trader you are. Also you will be able to practice your new strategies without the risk of real money.

Beginner Traders- Learn to become profitable with learning a strategy that fits the traders personality.

Advanced Traders- Practicing new strategies and never stop learning.

Benefits of Paper Trading

- Risk Free, you can't lose any money
- No stress, trading have two main emotions fear and greed
- Practice, you can practice new trading strategies
- Confidence Builder, after becoming profitable you will feel more confident with your trades

Cons of Paper Trading

- Slippage and Commissions, real traders deal with all types of hidden cost
- Emotions, Real world emotions are very intense and emotions with real world

Paper Trading Software

Market Watch	Free
TradeNinja	Free
DasTrader	\$100 per/mth

JOIN OUR PAPER TRADING ACCOUNT (Swing Trading)

<https://www.marketwatch.com/game/mvp-investors-learn-to-swing-trade-and-day-trade>

Password: MVPINVESTOR

The winner from each month will receive free giveaways such as Trading Laptop, Bitcoin, or T-Shirts.

Technical Analysis

Technical Analysis, in contrast to **fundamental analysis**, does not focus on the fundamental metrics of a company, but instead, focuses solely on the price of the stock. Technical analysis requires a complex understanding of chart patterns and **technical indicators**. This is the type of trading most day traders and swing traders will practice.

Now to swing trade successfully you have to look at stock charts. There are three main types of charts that you will learn to understand. Pick one that you feel more comfortable with and become an expert with that chart.

Line Charts

Line charts are the most simple type of chart. These charts simply plot a line. This can give a good understanding of price action over long periods of time, but for shorter time periods it doesn't provide necessary insight that traders require. Line charts are perfect for long term traders that want to find the trends of the stock.



Bar Charts

Like Line Charts, bar charts provide very little information that active traders will want. They show the open price and the close price for any given period, but that's it. If the chart is a daily chart you will see that each bar represents a single day in time.



Candlestick Charts

Candlestick charts are what most active day traders will use to help them establish a basis for taking a trade. A candle stick includes 4 pieces of information.

The open price, the close price, the high of the period price, and the low of the period price. When these 4 pieces of information come together, candlesticks can take shapes

that
communicate
market
sentiment. For
instance, a

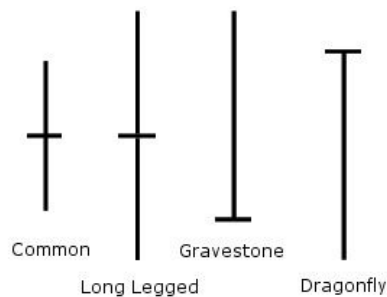


candle that opened at 10.00, had a high of 10.50, closed at 9.90, and had a low of 9.90, will appear very

weak or bearish. The stock spiked up but was unable to hold those levels and sold off. A simple line chart or bar chart would have not been able to communicate the same meaning to us. Within the candlestick charts there are key pieces of information that you should understand:

Doji Candlesticks

A doji candlestick has a long upper wick or lower wick. The wick refers to the high or low of day. The body of a doji is smaller than the candle wick, meaning the open and close price were fairly close together. This candles are considered candles of indecision.



Hammer Candle



A hammer candle occurs at the bottom of a long down trend and looks like a hammer. It has a long lower wick (like a doji), that forms the handle. The small body on the top is the hammer that swings down. This is considered a stock hammering out it's base. That's because the candle wick shows that even though the price dropped it surged back up quickly.



Inverted Hammer Candle

An inverted hammer is an upside hammer that occurs at the top of a bullish run. Like the regular Hammer

Formation, this candle shows the stock squeezed up but was unable to hold those high prices and sold off. Indicating a reversal may be in store.

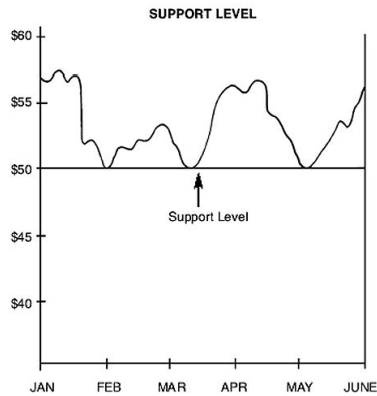
Once you choose what kind of chart you like next you will need to learn how to read those charts.

Reading Charts

Reading stock charts could be the top swing trading lesson to understand. Stock charts may look confusing and make you feel overwhelmed but it is easier than you think. Stock charts are used to identify the right time to buy the stock. Charts show you if a stock is trending up or down and help you identify current base patterns and buy points. Within the charts we have two main pieces of information we try to find, Support and Resistance Lines.

Support

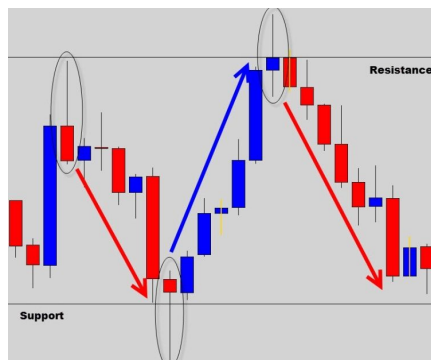
A support level is the price demand of a stock that is strong enough so that it prevents the decline in price past it. It is the level



at which buyers tend to enter the stock. To find the support lines draw a straight line to all the dips in price.

Resistance

A resistance level is the price level at which selling of a stock is deemed strong enough



to eliminate the increase in price. This is the level you would want to start selling off. To find the resistance

lines draw a straight line to the peaks.

These lines is where traders learn when to jump in and out of the stock. Learning just these two lines will help you understand the stock and how much its moving. Also many swing traders use the resistance line as a strategy (Chapter 4).

Within the charts many traders use studies on their charts. These study filters help swing traders get a better understanding of what the stock will do or what it has done in the past. The main studies are VWAP (Volume Weighted Average Price), Volume, SMA (Simple Moving Average) and MACD (Moving Average Convergence Divergence).

VWAP

Volume Weighted Average Price, VWAP, is a trading tool calculated by taking the number of shares bought times the share price and dividing by total shares.



Many traders will trade just by judging the VWAP and buy in when the price beats the VWAP and sell when it falls under the VWAP.

The disadvantages of the VWAP is that it is not sensitive to market environments meaning that its not the best for high **volatility** environment. Also the VWAP is not the best for very large trades but you won't have to worry about that.

Volume

Volume is the number of shares or contracts traded in a security or an entire market



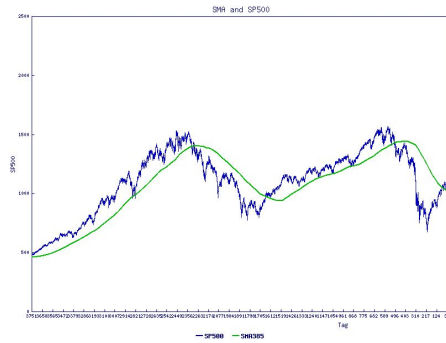
during a given period of time. For every buyer, there is a seller, and each transaction contributes to the count of total volume. If only three transactions occur in a day, the volume for the day is three. The Volume is located near the bottom of the chart.

When swing trading you need high volume each day over 500k per day. The volume moves the prices the higher the volume the more volatile the stock is trade.

SMA

Simple Moving

Average (SMA) is an average price calculation on the closing price of a security over a



period of time and divided by the amount of periods.

Moving averages are an important analytical tool used to identify current price trends and the potential for a change in an established trend. The simplest form of using a simple moving average in analysis is using it to quickly identify if a security is in an uptrend or downtrend.

MACD

Moving Average

Convergence Divergence

(MACD) indicator is

another oscillating

indicator. This measures the distance between

moving averages. If the moving averages are moving

apart a stock is moving quickly, if they are coming

close together, a stock has changed directions and is

returning to balance. If they are close together, the

stock isn't moving in much of any direction.

Using these study tools can help beginner traders feel

more comfortable and confident with your trades.

Within the charts you have common patterns to look

for like the Support Bounce, Bull Flags, Death Cross

and the resistance breakout.



Support Bounce

This pattern is the most common pattern for beginner swing traders. To find stocks that have the opportunity to bounce off the support the have to be within 5% of resistant lows or highs.



Once you find that stock you wait for confirmation of the **reversal**.

Bull Flags

Bull flag formations are found in stocks with strong uptrends. They are called bull flags because the pattern



resembles a flag on a pole. The pole is the result of a vertical rise in a stock (**Gap**) and the flag results from a period of consolidation.

Death Cross

Perhaps one of the scariest sounding terms on Wall Street is the “death cross” which is a name used when major moving averages cross paths.



Finding The Right Stocks

Without finding hot stocks for swing trading you will be gambling your money away, Yes, you may get lucky once or twice but at the end the market will always beat you.

Stock Scanners are the most common and the most successful way in finding the hot stocks for the day, week or month. Most exchanges offer free scanners and if not you can find free ones online. What to add to your stock screener filter.

Stock Screener Info

- Average Volume over 500k
- **Relative Volume** over 2
- Price range from \$5-\$50
- Look for Hot Sectors such as Tech, Basic Materials, Healthcare, ect

Swing trading is different than day trading because as swing traders we capture gains over a couple days or a couple weeks. So the stocks we look for move on average about 2-5% per day.

When looking for stocks we hunt for stocks with up trends and high average volume.

Here are a couple tips when looking for stocks to swing trade:

Watch The Calendar

It's good to know if your names are reporting earnings, appearing at conferences, have executives appearing on TV, unveiling new products, or can be impacted by economic news.

For example, if you're long Apple, you better know when it's reporting earnings and when it's showing new products.

As you can see in this chart, Apple gapped up big on earnings, and it had a wide-range bar on the iPhone 8 release. Being aware of the calendar would have kept you on alert for big moves:



Be Careful of Penny Stocks

Many beginner traders are attracted to penny stocks due to the price and the volatility.

Penny stocks move fast and at times can be hard to decide if the stock will go up or down.

I only trade stocks with a price over \$2 and under \$20.

It's Okay to be Late to the Party

You don't have time to actively check the stock, so most of the time you

will not find the stock

in the **dips** or the

lowest price

available. When a

stock makes a 20% move, you can still make some

profits. See the picture below: You could have bought



at \$60,\$80 and even \$100 and still could have turned a profit.

Be Careful of Falling Stocks

One of the biggest and fastest ways traders will blow up their accounts is by catching falling stocks.

Meaning a stock will fall 20% in a single day, so the buyer will think that this is a dip and will buy n the open. After the stock will continue to fall because they didn't wait until **confirmation**.



Strategies

In order to make a consistent profits we have to create a strategy or set of rules that we must follow day in and day out.

Successful trading strategies isn't something that you can just write up in a afternoon. Creating one will take time to understand what kind of trading you are. I recommend creating your strategy while you are still using and practicing on a simulator account. Here a five step process to create a strategy that works for you.

Step 1

Determine what your goals are. Your goals should be something like "My goal is to capture a multi-day or multi-week move in the market". Setting your goals

are important because then when you will look for stocks that you believe will give you the best chances of hitting your goal.

Step 2

Create a set of rules that you must follow everyday and overall help you maximize your profits.

Creating a Stop Loss

It is an order placed with a **broker** to buy or sell once the stock reaches a certain price. A stop-loss is designed to limit an investor's loss on a security position. Setting a stop-loss order for 10% below the price at which you bought the stock will limit your loss to 10%.

- I set my stop loss at 3%

Finding Trading Trends

Always trade up trends, meaning that the stock has a tendency to go up this will filter out stocks that are too risky. Only trade up trends stocks.

Take Profits

I make sure that I always take profits when I can doing this will make you more money in the long run. If the stock jumps 5%, take profits and sell half so if the stock continues to ride you make more. If the stock falls you will still turn a profit.

Step 3

Look back at the stocks tendencies meaning look to see what happens when it hits the resistance lines or support lines.

What I look for:

- Previous patterns
- Support lines and Resistance lines
- Look back when they released products

Step 4

Practice your strategy with **paper account** for about 3-5 months. I know that 3-5 months seems like a long time but trust me you need to practice. If you can't seem to take profits go back and change some of your rules.

Step 5

Tryout your strategy. If you have made it this far you must have a pretty solid strategy that you could try pursuing.

Market Environments

When began swing trading I felt unconfident and was uneducated but over the course of 3 years I began to understand the markets and how they moved. Most importantly what makes it move. Each stock may have different environments that make it better or worse for swing trading. Different stocks could be categorised in thousands of environments but overall could be found in different categories.

- 1) Bear Market
- 2) Bull Market
- 3) Trending Market
- 4) Thin Market
- 5) Liquid Market
- 6) Deep Market
- 7) Choppy Market

Understanding the types of markets will give you a better predictions on the movements you will be more likely to see.

Bear or Bearish Market

This term refers to a weak market. This means traders think the price of stocks or a specific stock will be going down. If they are bearish, they may sell their bullish positions or even take **short positions**.



During This Time

- Don't be afraid to take short positions
- Take profits early
- In and out trades
- Stay out of market if you are beginner

Bull or Bullish Market

This term refers to a strong market of stocks moving up. This can even be used to reference a specific position the trader is taking.



If they are bullish, they expect the stock to go up.

During This Time

- Take larger positions
- Ride the stock
- Don't be afraid to buy back in
- Look for **momentum** in the stock

Trending Market

A market is trending in one direction or another. A bull market is trending upward, while a bear market is trending downward. A trending market can be classified as such for either the short, mid or long term.



During this Time

- Don't be afraid to invest and trade
 - More predictable
 - Substantial impact on investment returns
- whether it's good or bad

Thin Market

A market with low number of buyers and sellers.

Since few transactions take place in thin market,

prices are often more

volatile and assets

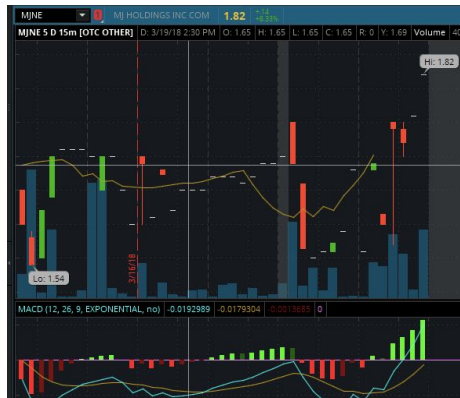
are less liquid. The

low number of bids

and asks will also

typically result in a

larger spread between the two quotes.



During this Time

- Try to stay out of these types of markets
- Lower volume
- Price fluctuates too much
- Unpredictable

Liquid Market

A liquid market is a market with many bids and offers, low spreads, and low volatility. In a liquid market, it is easy to execute a trade quickly and at a desirable price because there are numerous buyers and sellers. In a liquid market, changes in supply and demand have a relatively small impact on price.



During this Time

- Orders get filled fast
- More buyers and sellers than normal
- Investments can be easily transferred into cash
- Heavy Volume

Deep Market

A deep market is a market where a large number of shares can be bought without drastically changing the price of the stock.

These stocks have a very large float of stocks (Ford, Microsoft).



During this Time

- Stay away from this type of market
- Always has high volume
- Does not move more than 10% per day

Trade Management

If two swing traders enter the trade based on the same or similar strategy. The stock begins to go their way and pulls back a bit. The first trader fears of losing his position and decides to take a small profit. The second trader adds to his position on the pull back and takes a larger gain.

Swing trading like owning a business. Like any business it's not just about the products but much of the profits will be from an great management.

The same idea applies with swing trading. But managing your trades. When a beginner trader opens a trade they do two things. They sit back and either take the profits or get stopped out with their stop loss. Professional traders almost do the opposite. They

start by taking a smaller position to understand the markets volatility.

Example: If you wanted to **long** a position, so you start by buying 100 shares the next day you see momentum or great set ups. So you take more shares to maximize your profits.

Trade management is the most important piece of information that you could learn. It's very hard to teach it through a book and requires practice and patience.

I would recommend using a trading chat room (<https://mvp-investor.com/learn-to-swing-trade/>) is a great course and offers a great chat room with stock call outs.

My trade size depends on the price of the stock, my account size and risk management (Chapter 7).

Around 800-1000 share is my normally how many shares I hold for a trade from prices \$5-\$50.

1. I start by buying 300 shares
2. If the trade begins to go my way then I add 500 shares to my position
3. I sell 400 shares when I hit my first target, bring my stop loss to a break even
4. I sell 200 shares at next target
5. I normally keep the last 200 share until I get stopped out, just in case if the price starts moving in my favor

For my expensive stocks I start by taking less shares but the same idea of how I treat my trade.

Averaging Down

If you took a 1,000 share trade on a company above



a important important support level at \$10, thinking you could sell the stock at \$11 or \$12. Instead of the stock rallying up, the stock breaks support and drops to \$8, you should be stopped out with your stop loss. Instead of stopping if you took another 1,000 share trade at \$8. Now you have 2,000 shares with the average cost of \$9. Now when the stock rallies backup you to \$9 you break even or if the stock pushes to \$9.50 you profit around \$1,000. Averaging

down is great way to save some money but is very risky for beginner traders. Also it is a very fast way to drain your account because the loss seem to out way the gains.

Risk Management

As traders you will be risking your money to try and turn a profit. You have to have proper risk management skill or you will lose all of your money.

Determine the maximum risk you plan on taking each trade. Never trade more than 10% of your account as new traders. Calculate this before you start trading stocks.

Estimate your maximum risk per share using your stop loss. This will come from the strategy that you have decided to use. Where I explain how to use and where your stop should be.

Figure out what the total number of shares that you can trade, with your account. Doing this will prevent

you from over trading and draining your account as beginners.

Balancing risk is one of the most important part of any short or long-term investment. When you swing trade ask yourself, "How much upside and downside risk should be accepted".

The ideal situation would be **asymmetric risk reward** meaning you risk .06 to make \$1. An investor would invest 16 times before you lose money.

"Asymmetric risk reward is why the wealthy keep getting wealthy" - Warren Buffett

Risk Rules

- Set Stop Loss
- Look for undervalued and asymmetric risk
reward stocks
- Never over trade
- Set trading rules
- Don't trade what you don't understand

Tools and Platforms

Like any other job or profession, to start swing trading you require a few important tools. You need a broker. Also you will need a computer or mobile device to trade from.

Right tools and services for swing trading:

- a. High Speed internet service
- b. Best available broker
- c. Scanner for finding stocks
- d. Support from a community of traders

As i explained in the previous chapter, you will need a stock scanner to find stocks that you see potential in and add them into your watchlist. Since you will be swing trading you will not need real time stock

scanners you will be able to use great free stock scanners and still trade successfully.

What Broker and Scanner?

For swing trading you don't need the best broker with all different types of charts and a broker that charges you monthly fees because you will not trade enough to use all the different types of charts and scanners.

Now a day you can use brokers who don't even charge commision when you buy a stock. Too keep this book short I will talk about my top 3 brokers, top 3 scanners and why I think of them.

Robinhood

Well honestly Robinhood is one of the best brokers because of how cheap it is to trade stocks. They don't

charge commission, when other brokers can charge up to \$10 per trade. This will be perfect for anyone with a full-time job because it's all mobile based so you can trade at work or on breaks, you don't need to have a laptop or desktop. Here are the cons, the charts they use are the best and you can't draw on them to find support and resistance lines. Other than that Robinhood is clean, fast and efficient. If you would like to get a free stock with Robinhood go to, <https://mvp-investor.com/freestocks/>.

Thinkorswim

Thinkorswim is another great broker that I currently use for swing trading and day trading. What I like about Thinkorswim is how great the charts are and how much customizable you can make your chart. You add drawing like trend lines, support line and

resistance lines. Also they offer a pretty good stock screener that works great for swing trading and day trading. The downside of Thinkorswim is the higher commission of \$6.95 per trade. Overall this broker would be great for intermediate traders and advanced traders.

Fidelity

Fidelity Investments charges \$4.95 per trade and in 2018 received 5 star review for the best in Class for 12 different categories. The broker has decent charts but not the customizable features that Thinkorswim has. Fidelity mobile app was rated 2 investment app for traders under Robinhood. Overall a great broker and how highly recommend it to any new trader.

Stock Scanners

Stock scanners are the best way to find stocks to swing trade. Many brokers use their own scanners, but some might charge a monthly fee of up to \$200. Many websites can offer free stock screeners. Also if you do not want to try and find a stock screener, many swing traders join a community of traders that they can talk about stocks and most even offer a course to practice and understand that markets better.

(<https://mvp-investor.com/learn-to-swing-trade/>)

Finviz

This is the first stock scanner I used before I started using Thinkorswim. Finviz is 100% free, but they do offer a real-time scanner for a monthly fee for about

\$25 per month. Finviz is very user friendly and simple to read. I would highly recommend this scanner to any type of trader.

Tradingview

This stock scanner is another free scanner that was rated in the top 5 with finviz. They do offer a premium for a monthly fee. Another perk of tradingview is they offer a Forex and Crypto scanner. So if you are interested in the **forex markets** and **crypto markets** then I would recommend using tradingview.

MarketWatch

Another great scanner that I have used in the past and still continue to use it. Since I already have a scanner I use this for stock market news. They do

offer and great scanner and watchlist tools.

Account Types

Once you decide on a broker you should figure out what type of account that fits your needs. Whether you are saving money for retirement or just trying to make a second income. Swing trading has many different account types that work all different people and all ages.

Cash Account

This is the most common type of account and this is the account that you would need for a second income. So a cash account is the amount of money in the account is exactly the same as how much you deposited. When you take a trade, you have to wait T+3 (Transaction + 3 days to settle). Stocks take 3 days for transactions to settle. It's like waiting for a

check to clear. There is nothing you can do while you wait.

This is type of account I would recommend using for beginners and anyone who wants to start investing or swing trading,

Margin Account

This is another very popular account type for all types of traders . A margin account requires a margin agreement. With a margin account trades still take T+3, but instead of requiring you to wait 3 days before you can trade with that money, the broker gives you credit to trade with the money as soon as the trade has been completed. This is what allows day traders to take 10+ trades in a single morning.

Leverage Account

Another popular account type, this is more popular to active traders or day traders who trade daily. The rate that your cash deposit will be multiplied to give you total buying power. All US Brokers are 4x leverage. Suretrader is 6x leverage. Prop Firms can be 10x leverage or higher. The many benefit of leverage is how fast you can build up your account. If you put \$1,000 into a leverage account you can have a buying power of about \$6,000. This great because if you have 10% returns that is \$600. If you trade once per week you could make an extra \$600. The down side is just as fast as you make that money you can lose it.

Carters Rules to Be Successful

Rule 1: Love what you do

Rule 2: Swing trading can be treated as a business and you should treat it as one.

Rule 3: Understand that some days will be red, but the outcome will be green.

Rule 4: Never trade something that you don't understand.

Rule 5: Success in trading is managing your risk and finding asymmetric risk reward trades.

Rule 6: Aim for perfection.

Rule 7: Never buy something because someone told you to, make sure you see potential.

Rule 8: Never Give Up.

Rule 9: Swing trading is not a get rich quick it takes time and practice.

Rule 10: Work and study super hard.

Rule 11: Expect to fail.

Rule 12: Scanners will find you stocks, but it's your job to find stocks with the most potential.

Rule 15: Take Risk.

Rule 16: Have a high pain threshold.

Rule 17: Act despite of fear.

Rule 18: Have a sense of humor.

Final Words

Remember when swing trading you need to practice and experience in the market. Trading in simulators is necessary and can help you. You must start recognizing patterns and develop your own trading strategy.

When you begin trading, you are most likely to fail and be horrible. Many times when I started swing trading and day trading I came to the conclusion that it wasn't for me. Over time and practice I began becoming profitable.

If you end up signing up for a trading course or community, you should read about their plan and look at reviews. A good community and course will encourage you to trade the easiest setups, like

support and resistance. Then after you become profitable with that then learn more setups.

Also many traders believe that you must be profitable within 6 months. I find that very unimportant because you are building a career. You think in 5 years you will care about the first 5 months of trading.

Up above I have posted my rules to be successful some of them are for swing trading and the others are for life. If trading stocks is not what you are passionate about and you don't look forward to it then find something else.

Last but not least, if you enjoyed reading this book and find it useful, I would greatly appreciate you taking a few minutes to write a review on Amazon.

Also Your review on Amazon will help other people make informed decisions about my book.

If you're ever interested in contacting me, check out my chatroom at <https://discordapp.com/invite/nKWfsr4> or feel free to send me an email at investormvp@gmail.com.

I will be happy to have a chat with you.

Thank You and Good Luck!

Swing Trading Terminology

When Swing Trading you may come across terms that you don't understand or feel confused about. We're going to start with basic terms that most day traders will already be familiar with. Then we'll jump into the more advanced terms that you may still have questions about.

Swing Trading

Swing trading attempts to capture gains in a stock within an overnight hold to several weeks. Swing traders use technical analysis to look for stocks with short-term price momentum.

Support Bounce

MVP-INVESTORS Main swing trading strategy. Finding the support and resistance lines and making trades by judging them.

Asymmetric Risk Reward

It simply means they take the smallest risk possible for the largest return possible.

Stock Market

A market where stocks and bonds are traded, Stock exchange.

Fundamental Analysis

Fundamental Analysis is when a trader (or more often an investor), looks at the fundamental metrics of a company. This includes their Annual and Quarterly Earnings per share, Their Book Value (total value of company assets), the strength of their sector, and the potential for growth. This is a complex analysis based on many factors. In the end, a trader will have a long bias or a short bias on a stock.

Technical Indicators

Technical indicators, or studies, help us interpret current price action. These lag slightly behind the price action, so Candlestick Patterns will almost always be more valuable than technical indicators.

Volatility

Having the ability to change rapidly and unpredictably, especially for the worst.

Moving Averages

Simply adds up the five most recent daily closing prices and divides it by five to create a new average each day.

Reversal

Traders often anticipate a reversal to occur in a stock that has been consecutively reaching new highs or new lows. In technical trading analysis, traders often closely watch the candlestick movements of a stock.

Gap

Gaps on a daily chart occur when a stock opens higher or lower, than it closed the previous day. This happens when there is news or some type of catalyst overnight.

Relative Volume

Relative volume is one of the most important indicators day traders need to know. It shows how much volume a stock has compared to its average volume for the same period. It acts as a gauge indicating how in play a stock is and the more in play it is, the more likely setups will follow through.

Dips

A dip in the market is a decline in prices, generally considered a temporary downturn. An individual stock or commodity can have a dip in prices, a sector can have a dip in prices, or the broader market can experience a temporary dip in prices.

Confirmation

Confirmation refers to the use of an additional indicator or indicators to substantiate a trend suggested by one indicator.

Broker

A broker is an individual or firm that charges a fee or commission for executing buy and sell orders submitted by an investor.

Paper Account

Paper trading (sometimes also called "virtual stock trading") is a simulated trading process in which would-be investors can 'practice' investing without committing real money.

Short Positions

Technique used when trader predicts the stock value to decrease.

Momentum

Short-term strategy where stock investors search for heavy volume, news, and undervalued companies.

Long Position

Technique used when a trader predicts the stock value to increase.

Forex Markets

The foreign exchange market, is a global market for trading currencies.

Crypto Markets

A digital currency,, operating independently of a central bank.

Notes

This image shows a full page of blank, lined paper. It features approximately 28 horizontal grey lines spaced evenly apart, typical of standard notebook paper. The lines extend across the entire width of the page, leaving small margins at the top and bottom. There are no vertical lines, text, or other markings present.

